

REMARKS/ARGUMENTS

Claims 1, 5, 17, 18, 21, and 25-28 are pending. No new matter has been added.

Claims 1, 6, 13, 17, 18, 21, 23 are rejected under 35 U.S.C. § 102(e) as being anticipated by Boutaghou et al. (US 6,760,197).

Claim 5 is rejected under 35 U.S.C. § 103(a) as being unpatentable over Boutaghou et al. (US 6,760,197).

It is noted with appreciation that dependent claim 24 would be allowable if rewritten in independent form. In response, independent claim 1 has been amended to incorporate the subject matter recited in its dependent claim 24 which has been canceled. Claim 1 and its remaining dependent claims are believed to be in allowable condition.

As noted in the reasons for allowable subject matter, the art of record does not show a measuring MR element that is absent shield films. Claims 25-28 have been added and recite this limitation.

For example, claim 25 recites in part a “second magneto-resistive effect element *consisting only of* a second magneto-resistive effect film disposed between a first electrode and a second electrode, and having a shape substantially similar to that of the first magneto-resistive effect film.” (italics added for emphasis) See also claims 26-28.

CONCLUSION

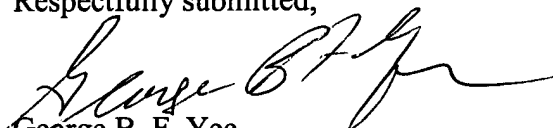
In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested.

Appl. No. 10/025,154
Amdt. sent May 16, 2006
Amendment under 37 CFR 1.116 Expedited Procedure
Examining Group 2652

PATENT

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 650-326-2400.

Respectfully submitted,


George B. F. Yee
Reg. No. 37,478

TOWNSEND and TOWNSEND and CREW LLP
Two Embarcadero Center, Eighth Floor
San Francisco, California 94111-3834
Tel: 650-326-2400
Fax: 415-576-0300
GBFY:ftm
60740011 v1